

EXPERT.AI

Sector: Technology

Strategic boost: ISED and Eu20mn capital raise

Expert.ai has acquired ISED for Eu4.8mn, a strategic move to strengthen its presence in regulated sectors such as PA and digital healthcare. The transaction brings high strategic and commercial synergies at an attractive valuation (3.0x EV/EBITDA₂₄), enhancing Expert.ai's scale and addressable market. To further support expansion, particularly in AI projects and M&A, the group has launched a Eu20.0mn rights issue. With commitment from key shareholders and ISED investors, proceeds will fund the 2024-26 roadmap, including the EU-backed Villanova project, accelerating adoption in high-value AI verticals. New estimates bring TP to Eu2.3/s (Eu2.2), offering hefty upside: BUY.

- Eu4.8mn acquisition of ISED, leading domestic PA and health care software house** - Expert.ai acquires 100% of ISED (Ingegneria dei Sistemi Elaborazione Dati), a Rome-based software company specialized in the development and management of mission-critical IT systems for PA and digital healthcare markets. The equity value agreed stands at Eu4.8mn, entirely financed with internal resources. Founded in 1974, ISED has a longstanding presence in PA digitalization, regional healthcare, business intelligence, and secure IT infrastructure, supported by a 59-person team and strong ties with universities and public institutions. In FY24, ISED reported revenues of Eu8.8mn, EBITDA of Eu1.0mn (11.4% margin), and a net cash position of Eu1.8mn, representing approximately 32% and 29% of Expert.ai's standalone topline and EBITDA, respectively. Following a leadership transition in 2023, the company has undergone a strategic repositioning, delivering a 50% top line growth over two years and 16% YoY rise in 1Q25.
- Expert.ai scales regulated AI verticals with high-synergy ISED deal** - The ISED acquisition reinforces group's position in regulated, high-value verticals of PA and digital healthcare. The deal combines ISED's proven track record in mission-critical software delivery with Expert.ai's modular EidenAI Suite, enhancing the ability to scale AI adoption in complex, compliance-heavy environments. Expected synergies include broader commercial reach, operational streamlining, and more efficient capital deployment. The integration supports Expert.ai's strategy of driving sustainable, high-margin growth through vertical specialisation and AI-powered innovation. Valuation appears fair relative to ISED's current fundamentals, with upside potential hinging on scalability: 3.0x EV/EBITDA₂₄ vs 13.8x EV/EBITDA_{25E} of EXAI stand-alone.
- Eu20.0mn right issue to feed growth** - Contextually, the BoD approved a capital increase of up to Eu20.0mn, consisting of up to 15.75mn new shares. The increase is structured: 1) GUM Group (controlled by Chairman/CEO Dario Pardi, and major shareholder of Expert.ai) will subscribe Eu5.0mn (3.94mn shares) and may invest an additional Eu3.0mn. 2) Other investors (max 20 entities) may subscribe up to Eu12.9mn (10.13mn shares). 3) ISED Investors will reinvest Eu2.1mn (1.68mn shares) as part of the ISED acquisition agreement (36M lock-up). The issue supports broader strategic aims under Expert.ai's 2024-26 plan, including M&A and innovation, comprising the support to the Villanova project. This is an EU-backed IPCEI (Important Project of Common European Interest) initiative supporting Expert.ai in developing Multimodal Generative AI, enhancing its EidenAI Suite and accelerating adoption in regulated, high-value sectors. It boosts product innovation, scalability, and reinforces Expert.ai's role in Europe's strategic AI landscape. Right issue pricing details: 1) Subscriptions by 31-Jul-25 will be priced at Eu1.27 per share (6M VWAP). 2) After 1-Aug, the price will be the 10D VWAP with a 10.5% discount, but not below the Eu1.27 floor. The price was validated via a fairness opinion and reflects a 10% discount to the Eu1.418 market price of 30-Jun-25.
- ISED acquisition brings in value: TP up to Eu2.3 (Eu2.2), 49% upside, BUY** - New estimates factor in ISED's consolidation in 2H25; at this stage, we have conservatively not included any synergies or cross-selling opportunities. As a result, Revenues and EBITDA projections are 7% higher, on average in 2026-27, years of full impact of the move, compared to our previous estimates. Even considering entirely the Eu20mn right issue dilutive effect, the acquisition adds value: new TP rise to Eu2.3/s from Eu2.2. With the appointment of CEO Dario Pardi, Expert.ai is pivoting from years of lackluster performance toward a decisive strategic overhaul, signaling a turning point for the company. The acquisition of ISED, along with the capital raised through the rights issue aimed at fueling growth, are key components of this renewed trajectory. BUY.

BUY

Unchanged

TP 2.3

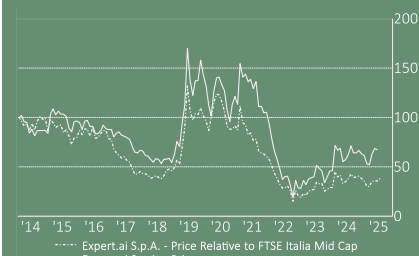
From 2.2

Target price upside 49%

Change in EPS est.	FY25E	FY26E
	153%	5%

Ticker (BBG, Reut)	EXAI IM	EXAI MI
Share price Ord. (Eu)		1.5
N. of Ord. shares (mn)		113.1
Total N. of shares (mn)		113.1
Market cap (Eu mn)		174
Total Market Cap (Eu mn)		174
Free Float Ord. (%)		77%
Free Float Ord. (Eu mn)		134
Daily AVG liquidity Ord. (Eu k)		337

	1M	3M	12M
Absolute Perf.	7.4%	23.8%	29.8%
Rel.to FTSEMidCap	6.2%	-0.2%	14.0%
52 weeks range		1.0	1.5



	FY24A	FY25E	FY26E
Sales	27	43	54
EBITDA	3.4	10.0	12.7
Net profit	(10.1)	0.4	2.4
EPS adj.	(0.09)	0.00	0.02
DPS - Ord.	0.00	0.00	0.00
EV/EBITDA	42.4x	15.3x	11.9x
P/E adj.	-14.6x	nm	73.2x
Dividend yield	0.0%	0.0%	0.0%
FCF yield	neg	0.3%	2.0%
Net debt/(Net cash)	1.7	(17.9)	(21.3)
Net debt/EBITDA	0.5x	nm	nm

Head Of Research

Luca Arena

luca.arena@alantra.com

+39 02 63 671 620

Andrea Zampaloni

andrea.zampaloni@alantra.com

+39 02 63 671 621

Lorenzo Della Pasqua

lorenzo.dellapasqua@alantra.com

+39 340 644 3803

ALANTRA

Italian Equity Research

Summary Financials (IFRS)

P&L account (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Net Revenues	32.6	27.3	43.4	53.9	62.9
Gross Margin	19.9	18.5	28.2	35.3	41.5
EBITDA	(0.2)	3.4	10.0	12.7	17.2
D&A	(8.6)	(8.4)	(8.3)	(8.5)	(8.9)
EBIT	(8.8)	(5.0)	1.7	4.2	8.3
Net financial charges	(1.0)	(4.1)	(1.2)	(0.9)	(0.9)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	(9.8)	(9.0)	0.6	3.3	7.4
Taxes	(0.0)	(1.0)	(0.2)	(0.9)	(2.0)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	(9.8)	(10.1)	0.4	2.4	5.4
EBITDA cash	(6.6)	(1.7)	3.9	6.3	10.2
EBIT adjusted	(8.8)	(5.0)	1.7	4.2	8.3
Net profit adjusted	(9.8)	(10.1)	0.4	2.4	5.4

Margins (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Gross margin	61.1%	67.8%	65.0%	65.5%	66.0%
EBITDA margin	-0.6%	12.4%	23.0%	23.6%	27.3%
EBIT margin	-26.9%	-18.2%	4.0%	7.8%	13.1%
Pre-tax margin	-30.1%	-33.0%	1.3%	6.1%	11.8%
Net profit margin	-30.1%	-36.8%	0.9%	4.4%	8.6%

Growth rates (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Sales	3.1%	-16.2%	58.8%	24.1%	16.8%
EBITDA	nm	nm	195.5%	27.2%	34.9%
EBITDA cash	nm	nm	nm	59.3%	63.8%
EBIT	nm	nm	nm	nm	97.9%
EBIT adjusted	nm	nm	nm	nm	97.9%
Pre-tax	nm	nm	nm	nm	126.9%
Net profit	nm	nm	nm	nm	126.9%
Net profit adjusted	nm	nm	nm	nm	126.9%

Per share data	FY23A	FY24A	FY25E	FY26E	FY27E
Shares	97.34	97.34	113.09	113.09	113.09
N. of shares AVG	113.09	113.09	113.09	113.09	113.09
N. of shares diluted AVG	97.34	97.34	105.21	113.09	113.09
EPS	(0.09)	(0.09)	0.00	0.02	0.05
EPS adjusted	(0.09)	(0.09)	0.00	0.02	0.05
DPS - Ord.	0.00	0.00	0.00	0.00	0.00
DPS - Sav.	0.00	0.00	0.00	0.00	0.00
BVPS	0.11	0.28	0.46	0.48	0.53

Enterprise value (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Share price Sav. (Eu)	0.0	0.0	0.0	0.0	0.0
Share price Ord. (Eu)	0.84	1.30	1.54	1.54	1.54
Market cap	94.5	147.3	174.4	174.4	174.4
Net debt/(Net cash)	21.8	1.7	(17.9)	(21.3)	(27.9)
Adjustments	(1.5)	(5.4)	(3.2)	(1.9)	(0.7)
Enterprise value	114.8	143.6	153.3	151.2	145.8

Source: Company data, Alantra estimates

Share price performance

The share price does not yet reflect the ongoing strategic transformation



Cash flow (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
EBITDA	(0.2)	3.4	10.0	12.7	17.2
Net financial charges	(1.0)	(4.1)	(1.2)	(0.9)	(0.9)
Cash taxes	(0.0)	(1.0)	(0.2)	(0.9)	(2.0)
Ch. in Working Capital	(4.9)	(0.8)	(4.0)	(2.1)	(1.8)
Other operating items	1.6	1.6	2.2	1.4	1.2
Operating cash flow	(4.5)	(0.9)	6.8	10.2	13.8
Capex	(7.0)	(5.3)	(6.4)	(6.8)	(7.2)
FCF	(11.6)	(6.2)	0.5	3.5	6.5
Disposals/Acquisitions	0.8	0.0	(0.9)	0.0	0.0
Changes in Equity	4.6	29.7	20.0	0.0	0.0
Others	0.2	(3.4)	0.9	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
Ch. in NFP	(5.9)	20.1	20.5	3.5	6.5

Ratios (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Capex/Sales	21.5%	19.4%	14.7%	12.6%	11.5%
Capex/D&A	0.8x	0.6x	0.8x	0.8x	0.8x
FCF/EBITDA	nm	nm	4.6%	27.3%	38.1%
FCF/Net profit	nm	nm	nm	145.7%	120.9%
Dividend pay-out	0.0%	0.0%	0.0%	0.0%	0.0%

Balance sheet (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Working capital	11.2	9.4	13.4	15.5	17.3
Fixed assets	31.8	31.3	30.3	28.5	26.8
Provisions & others	(9.0)	(7.1)	(9.3)	(10.7)	(11.9)
Net capital employed	34.0	33.6	34.4	33.3	32.2
Net debt/(Net cash)	21.8	1.7	(17.9)	(21.3)	(27.9)
Equity	12.2	31.9	52.3	54.7	60.1
Minority interests	0.0	0.0	0.0	0.0	0.0

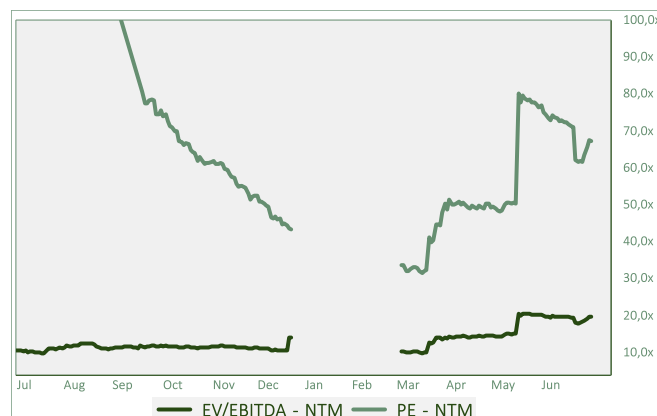
Ratios (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Working capital/Sales	34.3%	34.4%	31.0%	28.8%	27.4%
Net debt/Equity	178.4%	5.3%	nm	nm	nm
Net debt/EBITDA	nm	0.5x	nm	nm	nm

Valuation	FY23A	FY24A	FY25E	FY26E	FY27E
EV/CE	2.7x	3.5x	3.5x	3.4x	3.3x
P/BV	7.7x	4.6x	3.3x	3.2x	2.9x
EV/Sales	3.5x	5.2x	3.5x	2.8x	2.3x
EV/EBITDA cash	nm	-86.5x	39.0x	24.2x	14.2x
EV/EBITDA	nm	42.4x	15.3x	11.9x	8.5x
EV/EBIT	nm	nm	89.2x	36.2x	17.6x
EV/EBIT adjusted	nm	nm	89.2x	36.2x	17.6x
P/E	nm	-14.6x	nm	73.2x	32.3x
P/E adjusted	nm	-14.6x	nm	73.2x	32.3x

ROCE pre-tax	neg	neg	4.1%	9.5%	18.8%
ROE	neg	neg	0.8%	4.4%	9.0%
EV/FCF	neg	neg	330.5x	43.5x	22.3x
FCF yield	neg	neg	0.3%	2.0%	3.7%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%

Valuation

Market multiples still reflect a turnaround phase



ALANTRA

Italian Equity Research

Key Charts

Expert.ai verticals breakdown

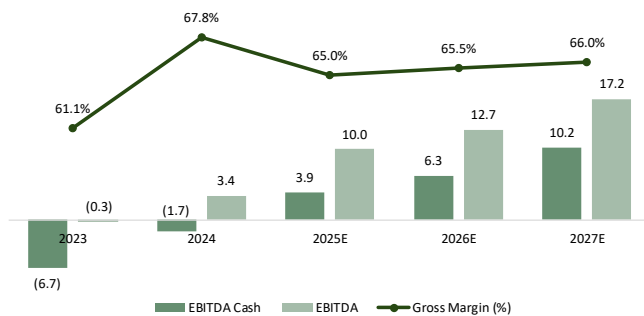
Group's revenue streams, with Insurance and Banking & Finance as key sectors



Source: Company data

Profitability inflection with expanding margin

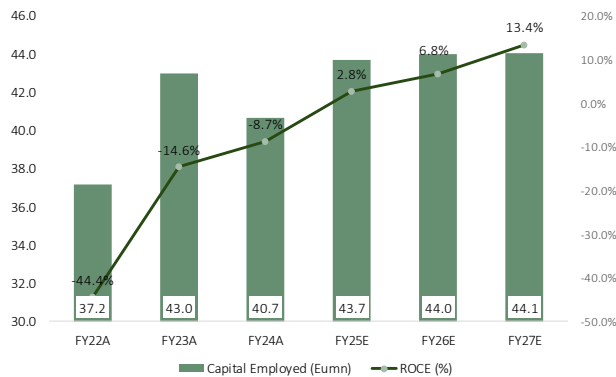
Following the 2024 governance shift, EBITDA cash should turn positive in 2025



Source: Company data, Alantra estimates

ROCE, from negative to 13.4% in 2024-27E

Broadly stable capital and rising EBIT lift ROCE to 13.4% in 2027E



Source: Company data, Alantra estimates

The Villanova project

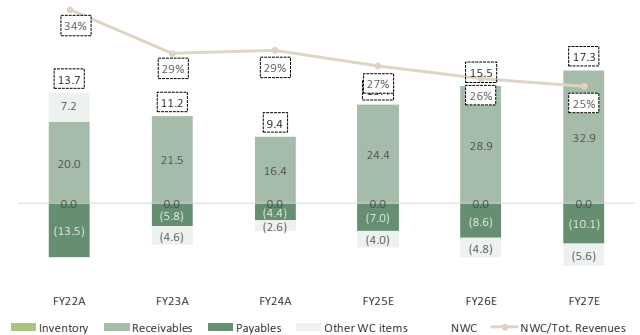
EU-backed IPCEI boosts Expert.ai's multimodal AI in regulated sectors



Source: Company data

SaaS shift improves working capital profile

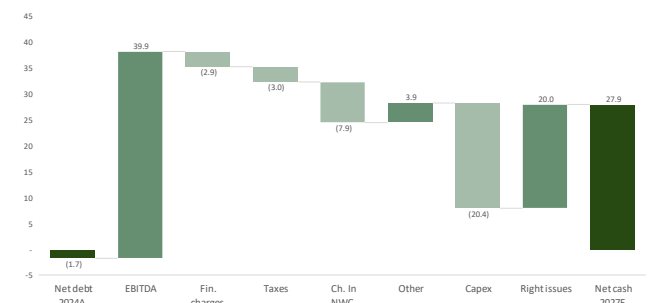
SaaS revenues cut seasonality, lowering NWC/Revenues to 25%



Source: Company data, Alantra estimates

2024-27E Net Debt/Cash bridge

Expert.ai is expected to generate FCF, while continuing to invest in development



Source: Company data, Alantra estimates

Background	Expert.ai is a European deep-tech AI company specializing in Natural Language Understanding (NLU) and Processing (NLP), with a proprietary neuro-symbolic architecture combining LLMs and symbolic reasoning. Founded in 1989, it operates across 8 countries with 200+ professionals, offering scalable, explainable, and domain-specific AI solutions. Its modular EidenAI Suite powers automation and insight extraction for highly regulated sectors including insurance, banking, pharmaceuticals, public administration, and media. Available via SaaS or on-premise, Expert.ai's tools integrate seamlessly with enterprise systems. Recent strategic changes, led by CEO Dario Pardi, have shifted the business from a fragmented, service-heavy model toward a scalable, capital-light SaaS structure with improving margins and cash generation. The group is also a key participant in the EU-backed Project Villanova, aimed at developing Multimodal Generative AI. With 30+ years of experience in language intelligence and a hybrid architecture designed to reduce hallucinations and enhance control, Expert.ai is positioned as a trusted partner for mission-critical AI transformation in complex, compliance-driven environments.
Positioning	Expert.ai stands out as a vertically specialized, enterprise-grade AI platform focused on Natural Language Understanding (NLU) and Processing (NLP). 1) It combines a proprietary neuro-symbolic AI core with a modular suite of tools and solutions (EidenAI), enabling explainable, end-to-end automation across language-intensive workflows; 2) It has built a track record of deployment in regulated sectors, with mission-critical use cases across insurance, banking, pharma, and public administration. Unlike most players that are either infrastructure providers or system integrators, Expert.ai offers an integrated model that blends foundational AI capabilities with ready-to-deploy vertical solutions, delivered via SaaS or on-premise. Its hybrid architecture ensures high semantic precision and control, key in compliance-heavy environments. With over 30 years of domain expertise, growing SaaS adoption, and a clear pivot from custom services to scalable products, Expert.ai is now positioned to lead the transition toward explainable, production-grade AI. Despite prior inefficiencies, the group has regained financial discipline and is executing a roadmap rooted in profitable, capital-light growth.
Growth	Expert.ai is executing a strategic shift aimed at restoring profitable growth, following years of underperformance. While FY24 revenues declined 16% due to the SaaS transition and commercial restructuring, EBITDA turned positive (12.4% margin), marking a structural reversal. The pivot to recurring, product-led revenues (64% of FY24 sales) is expected to drive margin expansion, with EBITDA margins seen rising to 27% by 2027. International revenues are gaining traction, with the US set to exceed one-third of total by 2026. Investments in R&D (13% of sales) remain central to scaling the EidenAI Suite. PA, a historical stronghold, continues to act as a key growth engine alongside banking and insurance.
Strategy	Expert.ai has defined a focused, AI-first strategy supported by a multi-year transformation plan based on three pillars: (i) transitioning from services and term licenses to a SaaS-based, product-led model (64% of FY24 revenues), centered on the modular EidenAI Suite and its vertical use cases; (ii) international growth, with North America expected to generate over one-third of revenues by 2026; (iii) selective M&A to enhance capabilities and broaden vertical exposure (the acquisition of ISED goes in this direction). The platform integrates open-source LLMs (e.g., Mistral) and offers flexible deployment across cloud and on-premise environments. Strategic focus remains on regulated sectors, insurance, banking, pharma, and PA, where precision and explainability are critical. The shift to recurring revenues supports scalability, margin improvement, and reduced reliance on custom projects, while aligning with enterprise-grade AI standards.

Strengths Proprietary hybrid AI architecture Domain expertise and vertical specialisation Geographical diversification & US expansion Transition to scalable SaaS model	Weaknesses Relatively high customer concentration Legacy customization and service dependence Limited penetration outside Italy Ongoing reorganization	
Opportunities Explosive AI market growth SaaS scaling & managed services rollout Regulatory tailwinds in Europe M&A to accelerate business expansion	Threats Competition from hyperscalers & LLM platforms High valuation in AI sector Customer retention without contractual lock-in IT talent competition & wage inflation	
Key shareholders* GUM Group - 12.3% Ergo srl - 6.0% Sofia Holding - 4.6% ISED ex-shareholders - 1.5% Market - 77.1%	Management Dario Pardi - CEO & CH Fabio Montorselli - CFO Stefano Spaggiari - IR Marco Varone - CTO Umberto Pardi - CRO Peter Caiazzi - COO	Next events 1H25 results: 30/09/2025

* post Eu20mn rights issue, with GUM subscribing Eu8mn

* post Eu20mn rights issue, with GUM subscribing Eu8mn

The new 2024-26 company business plan

Focus on scalable AI solutions, SaaS transition, partnerships, innovation, and targeted M&A expansion

2024 – 2026 growth trajectory

- **New products/solutions roadmap:** focus on vertical end-to-end enterprise solutions and cost-effective integration of open source GenAI models
- **New business model and strategy:**
 - Focus on replicable and scalable proprietary products/solutions (less dependency on custom projects) on selected market segments
 - Accelerating transition from Term Licenses to MSaaS model
 - Customer retention programs
- **Partnership program:** strategic partnerships development for both product and market development
- **Professional services carve out** to assure efficiency and profitability around system integration activities
- **New foundation** for future (R&D, spinoff, startups)
- Targeted **M&A** activities to expand customer base and/or complete products and solutions offering

Sources: Almaxwave, Alantra estimates

Estimates

Estimates changed

As a result of the acquisition of ISED (consolidated as from 1-Jul), we upgraded Sales and EBITDA by 6% and 8%, on average, in 2025-27

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenues	43.4	53.9	62.9	4.3%	7.5%	7.0%	41.6	50.1	58.8
EBITDA Reported	10.0	12.7	17.2	3.8%	7.7%	5.9%	9.6	11.8	16.2
EBITDA Cash	3.9	6.3	10.2	3.2%	7.9%	5.2%	3.8	5.8	9.7
EBIT Adjusted	1.7	4.2	8.3	27.4%	16.3%	7.2%	1.3	3.6	7.7
Pretax Profit	0.6	3.3	7.4	194.2%	21.9%	8.2%	0.2	2.7	6.8
Net profit	0.4	2.4	5.4	194.2%	21.9%	8.2%	0.1	2.0	5.0
EPS	0.004	0.021	0.048	153.2%	4.9%	-6.9%	0.001	0.020	0.051
Net financial position	17.9	21.3	27.9	18.4	17.9	18.5	(0.5)	3.5	9.3

Source: Alantra

Peer analysis

Trading multiples

Expert.ai trades at a sharp discount to international AI peers on EV/Sales and EV/EBITDA, despite superior growth and improving margins

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Expert AI	ITALY	174	3.5 x	2.8 x	2.3 x	15.3 x	11.9 x	8.5 x	89.2 x	36.2 x	17.6 x	nm	73.2 x	32.3 x
<i>Prem. (disc.) to Int. AI Peers' Median</i>			-73%	-76%	-68%	-88%	-90%	-90%	nm	-70%	-77%	#VALUE!	-50%	-75%
BigBear.ai Holdings, Inc.	UNITED STATES	1,832	12.9 x	11.5 x	na	na	464.5 x	na	na	na	na	na	na	na
C3.ai, Inc. Class A	UNITED STATES	3,060	6.3 x	5.3 x	4.2 x	na	na	672.7 x	na	na	na	na	na	304.3 x
Open Text Corporation	CANADA	6,379	2.5 x	2.3 x	2.2 x	7.2 x	6.5 x	5.7 x	7.8 x	7.1 x	6.2 x	7.7 x	6.8 x	6.5 x
Palantir Technologies Inc. Class A	UNITED STATES	276,463	84.9 x	65.7 x	49.4 x	189.0 x	143.1 x	106.4 x	192.7 x	146.3 x	106.8 x	246.8 x	193.4 x	149.1 x
SenseTime Group, Inc. Class B	CHINA	5,936	10.4 x	8.6 x	7.2 x	na	na	na	na	na	na	na	na	na
Snowflake, Inc.	UNITED STATES	63,197	15.8 x	12.7 x	10.0 x	128.9 x	95.0 x	58.5 x	193.0 x	122.4 x	75.8 x	202.5 x	145.0 x	105.2 x
SoundHound AI, Inc Class A	UNITED STATES	4,065	30.5 x	23.9 x	na	na	na	na	134.1 x	na	na	129.0 x	na	na
International AI Peers			Average	51,562	23.3 x	18.6 x	14.6 x	108.4 x	177.3 x	210.9 x	131.9 x	91.9 x	62.9 x	146.5 x
			Median	5,936	12.9 x	11.5 x	7.2 x	128.9 x	119.1 x	82.5 x	163.4 x	122.4 x	75.8 x	165.8 x
Almawave S.p.A.	ITALY	96	1.6 x	1.4 x	1.1 x	7.1 x	5.7 x	4.4 x	13.8 x	10.3 x	7.9 x	16.4 x	12.7 x	11.4 x
CY4Gate SpA	ITALY	117	1.7 x	1.5 x	1.4 x	7.2 x	6.0 x	5.2 x	65.1 x	19.9 x	13.8 x	na	80.2 x	30.9 x
Cyberoo S.p.A.	ITALY	69	2.3 x	1.9 x	1.7 x	5.8 x	4.6 x	4.2 x	8.7 x	6.6 x	6.2 x	13.0 x	10.5 x	10.3 x
Reply S.p.A.	ITALY	5,402	2.0 x	1.7 x	1.5 x	10.8 x	9.7 x	8.6 x	13.1 x	11.7 x	10.2 x	20.8 x	18.9 x	17.3 x
Sys-dat S.P.A.	ITALY	185	1.9 x	1.6 x	1.5 x	9.7 x	8.2 x	7.4 x	12.8 x	10.9 x	9.7 x	18.2 x	16.5 x	14.3 x
WIIT SpA	ITALY	437	3.7 x	3.4 x	3.0 x	9.7 x	8.6 x	7.7 x	19.3 x	15.4 x	13.1 x	23.3 x	17.7 x	15.1 x
Italian Technology Peers			Average	1,051	2.2 x	1.9 x	1.7 x	8.4 x	7.1 x	6.3 x	22.1 x	12.5 x	10.2 x	18.4 x
			Median	151	1.9 x	1.7 x	1.5 x	8.4 x	7.1 x	6.3 x	13.4 x	11.3 x	10.0 x	18.2 x

Source: Factset

Financials – Expert.ai versus selected peers

Expert.ai delivers top-line growth and EBITDA margins above both international and domestic peer medians

Company	Country	Mkt Cap (Eu mn)	FY25E - FY27E average margins					CAGR FY24A - FY27E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS
Expert AI	ITALY	174	24.7%	8.3%	4.7%	12.9%	0.0%	32.0%	71.8%	nm	nm
Average			16.9%	7.9%	3.6%	7.9%	8.7%	19.0%	-12.1%	-7.2%	-23.1%
Median			20.1%	12.8%	10.3%	3.0%	0.0%	17.4%	12.9%	16.2%	13.3%
BigBear.ai Holdings, Inc.	UNITED STATES	1,832	-0.9%	-24.4%	-45.2%	0.7%	na	na	na	na	na
C3.ai, Inc. Class A	UNITED STATES	3,060	-8.1%	-10.9%	-4.3%	1.4%	0.0%	19.4%	-138.1%	-35.4%	-160.3%
Open Text Corporation	CANADA	6,379	35.9%	33.2%	20.2%	3.0%	26.8%	-3.4%	-0.1%	-0.4%	1.5%
Palantir Technologies Inc. Class A	UNITED STATES	276,463	45.8%	45.1%	38.7%	0.7%	0.0%	32.1%	38.2%	39.3%	32.8%
SenseTime Group, Inc. Class B	CHINA	5,936	-21.7%	-40.7%	-23.6%	16.5%	0.0%	26.9%	-60.4%	-36.2%	-51.5%
Snowflake, Inc.	UNITED STATES	63,197	14.3%	10.6%	10.3%	1.8%	0.0%	23.5%	41.3%	57.4%	36.7%
SoundHound AI, Inc Class A	UNITED STATES	4,065	-10.6%	-7.3%	-6.9%	1.1%	na	48.5%	-143.2%	na	na
International AI Peers	Average	51,562	7.8%	0.8%	-1.5%	3.6%	5.4%	24.5%	-43.7%	4.9%	-28.2%
	Median	5,936	-0.9%	-7.3%	-4.3%	1.4%	0.0%	25.2%	-30.3%	-0.4%	1.5%
Almawave S.p.A.	ITALY	96	23.6%	12.8%	10.6%	21.5%	0.0%	15.4%	26.6%	50.9%	-2.3%
CY4Gate SpA	ITALY	117	25.0%	6.7%	-0.9%	17.8%	0.0%	9.7%	30.1%	-227.0%	-187.7%
Cyberoo S.p.A.	ITALY	69	39.5%	26.5%	17.5%	17.5%	0.0%	14.6%	15.9%	16.2%	13.3%
Reply S.p.A.	ITALY	5,402	17.7%	14.9%	10.3%	2.0%	19.6%	9.0%	8.3%	10.2%	13.8%
Sys-dat S.P.A.	ITALY	185	20.1%	15.2%	10.4%	4.5%	13.8%	25.4%	26.0%	29.7%	25.8%
WIIT SpA	ITALY	437	38.8%	21.3%	10.0%	14.3%	35.9%	7.2%	9.9%	16.2%	23.8%
Italian Technology Peers	Average	1,051	27.5%	16.2%	9.6%	13.0%	11.6%	13.6%	19.5%	-17.3%	-18.9%
	Median	151	24.3%	15.1%	10.3%	15.9%	6.9%	12.2%	20.9%	16.2%	13.5%

Source: Factset, Alantra

Market performance of our selected peers

The stock has consistently outperformed the median of its peers, with the exception of the 5Y performance

Company	Country	Mkt Cap (Eu mn)	Performance						
			1M	3M	6M	YTD	1YR	3YR	5YR
Expert AI	ITALY	150	7.4%	23.8%	20.3%	15.9%	29.8%	117.3%	-45.1%
Average			9.8%	30.8%	18.0%	9.2%	79.0%	137.6%	30.0%
Median			2.5%	12.4%	4.3%	0.6%	3.7%	3.5%	20.8%
BigBear.ai Holdings, Inc.	UNITED STATES	1,832	89.0%	137.7%	122.0%	65.6%	408.3%	99.7%	na
C3.ai, Inc. Class A	UNITED STATES	3,060	5.9%	29.3%	-17.7%	-20.4%	-7.0%	37.4%	na
Open Text Corporation	CANADA	6,379	2.5%	10.7%	-2.0%	-2.9%	-6.2%	-22.9%	-32.6%
Palantir Technologies Inc. Class A	UNITED STATES	276,463	8.4%	55.6%	109.8%	89.3%	422.6%	1307.4%	na
SenseTime Group, Inc. Class B	CHINA	5,936	2.0%	10.3%	14.5%	0.7%	12.8%	-41.9%	na
Snowflake, Inc.	UNITED STATES	63,197	5.2%	46.8%	37.8%	43.7%	61.4%	39.0%	na
SoundHound AI, Inc Class A	UNITED STATES	4,065	28.7%	46.1%	-14.1%	-35.0%	211.6%	316.1%	na
International AI Peers			20.3%	48.1%	35.7%	20.1%	157.6%	247.8%	-32.6%
Median			5.9%	46.1%	14.5%	0.7%	61.4%	39.0%	-32.6%
Almawave S.p.A.	ITALY	96	-0.6%	-0.2%	11.5%	11.5%	-29.0%	-25.3%	na
CY4Gate SpA	ITALY	117	-6.0%	49.0%	4.3%	0.6%	-16.3%	-45.9%	14.8%
Cyberoo S.p.A.	ITALY	69	3.4%	2.5%	-21.6%	-21.9%	-49.2%	-9.8%	49.4%
Reply S.p.A.	ITALY	5,402	-3.3%	6.6%	-3.4%	-5.9%	3.7%	16.8%	97.4%
Sys-dat S.P.A.	ITALY	185	-3.0%	-6.0%	12.5%	14.3%	46.9%	na	na
WIIT SpA	ITALY	437	-4.5%	12.4%	-19.1%	-19.4%	-32.0%	-18.9%	20.8%
Italian Technology Peers			-2.3%	10.7%	-2.6%	-3.5%	-12.6%	-16.6%	45.6%
Median			-3.1%	4.5%	0.4%	-2.6%	-22.7%	-18.9%	35.1%

Source: Factset, Alantra

Disclaimer

Explanation of Ratings: Alantra Capital Markets Sociedad de Valores SAU (Italian Branch) ("Alantra CM (Italian Branch)") Research Department provides six core ratings: BUY, HOLD, SELL, NOT RATED, UNDER REVIEW and SUSPENDED, based on the expected performance over the next 12 months.

BUY: The stock is expected to generate returns of over 10% during the next 12 months.

HOLD: The stock is expected to generate returns of 0-10% during the next 12 months.

SELL: The stock is expected to generate negative returns during the next 12 months.

NOT RATED: The stock is not covered.

UNDER REVIEW: An event occurred with an expected significant impact on our target price and we cannot issue a recommendation before having processed that new information and/or without a new share price reference.

SUSPENDED: Alantra CM (Italian Branch) is precluded from providing an investment rating or price target for compliance reasons.

Due to share price volatility, ratings and target prices may occasionally and temporarily be inconsistent with the above definition.

This report has been prepared by Alantra CM (Italian Branch), which is pertaining to the Alantra Group, a financial Spanish group that provides investment banking, asset management, equities brokerage, capital markets and financial advisory services.

Analyst Certification

Each authoring analyst of Alantra CM (Italian Branch) whose name appears on the front page of this research hereby certifies that (i) the recommendations and opinions expressed in this research accurately reflect the authoring analyst's personal, independent and objective views about any and all of the designated investments or relevant issuers discussed herein that are within such authoring analyst's coverage universe and (ii) no part of the authoring analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the authoring analyst in the research.

This report is solely for the information of clients of Alantra CM (Italian Branch) and for distribution only under such circumstances as may be permitted by applicable law. Alantra CM (Italian Branch) specifically prohibits the redistribution of this material in whole or in part without the prior written permission of Alantra CM (Italian Branch) and therefore Alantra CM (Italian Branch) accepts no liability whatsoever for the actions of third parties in this respect.

Nothing in this report constitutes a representation that any investment strategy or recommendation contained herein is suitable or appropriate to a recipient's individual circumstances or otherwise constitutes a personal recommendation. This report is published solely for information purposes, it does not constitute an advertisement and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments in any jurisdiction. The information contained in this research has been compiled by Alantra CM (Italian Branch) from sources believed to be reliable, but no representation or warranty, either expressed or implied, is provided in relation to the fairness, accuracy, completeness or correctness of the information contained herein, nor it is intended to be a complete statement or summary of the securities or markets referred to in this report. Alantra CM (Italian Branch) nor any of its affiliates has not independently verified the facts, assumptions, and estimates contained herein. All estimates, opinions and other information contained in this research constitute Alantra CM (Italian Branch)'s judgement as of the date of this research, are subject to change without notice and are provided in good faith but without legal responsibility or liability. Alantra CM (Italian Branch) its affiliated companies or any other person does not undertake that investors will obtain profits nor accept any liability for any investment losses arising from any use of this report or its contents. This report should not be regarded by recipients as a substitute for the exercise of their own judgement. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas of the Alantra Group as a result of using different assumptions and criteria. Research will be initiated, updated and coverage ceased solely at the discretion of Alantra CM (Italian Branch). The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. Alantra CM (Italian Branch) is under no obligation or keep current the information contained in this report.

From time to time, Alantra CM (Italian Branch) salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and our principal trading desk that reflect opinions that are contrary to the opinions expressed in this research. Alantra CM (Italian Branch)'s affiliates, principal trading desk, and investing businesses also from time to time may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

Investments involve risks and investors should exercise prudence in making their investment decisions. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Stocks bear significantly risk that typically cannot be valued by normal fundamental criteria. Investments in the stock may result in a material loss. Options, derivative products and futures are not suitable for all investors, and trading in these instruments is considered risky. Past performance is not necessarily indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument mentioned in this report.

Any prices stated in this report are for information purposes only and do not represent valuations for individual securities or other instruments. There is no representation that any transaction can or could have been realized at those prices.

Neither Alantra CM (Italian Branch) nor any of the companies pertaining to the Alantra Group nor any of their shareholders, directors, employees or agents accepts any liability for any loss or damage arising out of the use of all or any part of this report.

Except as otherwise specified herein, this material is exclusively communicated by Alantra CM (Italian Branch) to persons who are eligible counterparties or professional clients and is only available to such persons. The information contained herein does not apply to retail clients.

The analysts responsible for the preparation of this report may interact with trading desk personnel, sales personnel and investment managers. Alantra CM (Italian Branch), any other company pertaining to the Alantra Group, and any of their shareholders, directors, employees may, to the extent permitted by law, have a position or otherwise be interested in any transactions, in any investments directly or indirectly the subject of this publication. The Alantra Group relies on information barriers to control the flow of information contained in one or more areas within the Alantra Group, into other areas, units, groups or affiliates of the Alantra Group. The Alantra Group may do and seek to do business with companies covered in its research reports. As a result, investors should be aware that the Alantra Group may have a conflict of interests. Information regarding transactions in which the Alantra Group has acted as an advisor, or provided professional services, is available on Alantra Group's website (<http://www.alantra.com>). The Alantra Group has established, implemented and maintains an effective conflicts of interest policy appropriate to its size and organization and to the nature, scale and complexity of its business. Investors should consider this report as only a single factor in making their investment decisions.

Conflict of interest

In order to disclose its possible conflicts of interest Alantra states that:

- Alantra is Corporate Broker of the following Companies: Eurotech, ICF, Tecma Solutions, Planetel, Powersoft, ATON Green Storage, Almwave, Comer Industries, Edil San Felice, Fae Technology, Kruso Kapital, Redfish Longterm Capital, B&C Speakers, Trevi, Next Geosolutions Europe, ICOP, Cyberoo, DEA, Altea Green Power, Smart Capital, Expert.ai, SIAV

Research Distribution Policy

Alantra CM (Italian Branch) research will be available simultaneously for all of Alantra CM (Italian Branch)'s customers who are entitled to receive the firm's research. Research may be distributed by the firm's sales and trading personnel via email, instant message or other electronic means. Customers entitled to receive research may also receive it via third party vendors. Until such time as research is made available to Alantra CM (Italian Branch)'s customers as described above, Authoring Analysts will not discuss the contents of their research with Sales and Trading or Investment Banking employees without prior compliance consent.

For further information about the proprietary model(s) associated with the covered issuer(s) in this research report, clients should contact their local sales representative.

The disclosures contained in research reports produced by Alantra CM (Italian Branch) shall be governed by and construed in accordance with Spanish and Italian laws.

The receipt of this report implies full acceptance by its recipients of the contents of this disclaimer.

Alantra Capital Markets Sociedad de Valores SAU is the Spanish investment firm located in Madrid, Calle de José Ortega y Gasset 29, registered at the Comisión Nacional del Mercado de Valores (CNMV) with number 258. Alantra CM (Italian Branch) is located in Milano (Italy), Via Borgonuovo 16 with number 155.